

SENATE BILL 2933

By Kyle

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 3, Part 24; Title 4, Chapter 3, Part 3; Title 8, Chapter 34; Title 8, Chapter 4; Title 8, Chapter 5; Title 9, Chapter 3 and Title 67, relative to pensions and retirement.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 3, Part 24, is amended by adding the following language as a new section:

Section 4-3-2404.

(a) Every employer who offers a defined benefit pension plan, or who has offered a defined benefit pension plan to which obligations and liabilities remain due, shall submit an annual pension evaluation statement to the state treasurer.

(b) Each chief executive officer or president of an employer who offers a defined benefit pension plan, or the plan administrator of such employer, shall file the pension evaluation statement on the actuarial and financial status of the defined benefit pension plan in effect for employees of the employer. Such statement, which is due no later than November 1 of each year, shall cover the most recently ended plan year ending on or before June 30 of that year, and shall be filed with the state treasurer on forms prescribed by the treasurer.

(c) The pension evaluation statement required pursuant to the provisions of this section shall include the following information and may include any additional information as deemed necessary by the state treasurer:

(1) The most recent actuarial valuation of the plan conducted by a professionally qualified actuary;

(2) Year-end financial statements, including the auditor's statement, when available; and

(3) Publications by the plan's administrator to the members and/or other interested parties.

(d) The treasurer shall evaluate all pension evaluation statements received and shall prepare an annual report on the well-being of Tennessee employee pension plans to be transmitted to the council on pensions and insurance.

(e) The treasurer shall submit the names of employers who fail to submit statements, who submit incomplete statements and who file statements that are reasonably believed to be inaccurate to the comptroller for audit. The comptroller shall randomly audit employers who are reported by the treasurer; provided that in any year the comptroller shall audit at least five percent (5%) of all such reported employers.

(f) For the purposes of this section, unless the context otherwise requires:

(1) "Defined benefit pension plan" means a retirement plan in which an employer commits to paying its employee, or such employee's beneficiary, a specific benefit for life beginning at such employee's retirement or at another agreed date; and

(2) "Employer" means any person, corporation or other entity, excluding the state and its political subdivisions, that employs, or has employed, one thousand five hundred (1,500) or more employees on any single day since January 1, 1970, at a workplace or workplaces located within Tennessee.

SECTION 2. Tennessee Code Annotated, Section 4-3-304, is amended by adding the following language as a new subdivision:

(10) Perform audits as required pursuant to Section 1 of this act.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.